

North Carolina Home Inspectors E-Newsletter



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Welcome to...The North Carolina Home Inspector's E-Newsletter

OP/ED to the Kenly News, Kenly, NC and for release to NC Newspapers, Members of both Houses of the NC General Assembly, NCHILB members, Governor Mike Easley, appropriate Real Estate interests, all pertinent state and national political and social advocacy groups, and the national media.

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OP/ED From the desk of...

Public's influence needs to be used

By George J. Gioiella

Are home inspections problematic? Home inspections can be unless the consumer understands the basics of how a person becomes a home inspector and what to expect from the inspection process. In 1996 North Carolina became the second state to implement licensing of home inspectors. The standards and licensing exam were predicated on the American Society of Home Inspectors and ASHI was influential in developing the original licensing law.

Compared to other trades home inspection licensing is in its infancy. Along with its adolescence come problems that allow candidates obtain a license by circumventing requirements to sit for the exam. Anyone who can pass the NC Licensed General Contractor exam, which is not nearly as difficult and the home inspector exam, can sit for the Home Inspector exam. However being a general contractor does not qualify a person to be a home inspector. As a matter of fact most contractors are project managers; that is they hire subcontractors and manage the timeline and financing. In most cases they do not have hands on experience with all of the trades. Home Inspection encompasses and requires a good working knowledge of electrical, mechanical, engineering, plumbing and all of the disciplines involved in homebuilding.

As the current NC law is written when a person passes the home inspection exam they are issued a license, but no training to perform an inspection to the current standards and existing directives and interpretations of the licensing board, none at all. They are turned loose on an unsuspecting public and left to their own devices. There exist twelve hours of annual continuing education required to renew a license, four of which is mandated and written by the board and eight elective hours developed by course sponsors and approved by the board.

However these courses do not necessarily address what new inspectors need to know to perform to the expectations of the licensing law. When a complaint is filed against an inspector they are held accountable to a standard for which they were never trained and expectations they are not familiar with. The licensing board has often revoked or suspended licensees for up to one year. In the fast paced real estate industry a sixty or ninety day suspension effectively can put an inspector out of business.

Several years ago at a public hearing this writer argued to eliminate all requirements to sit for the exam and to implement completion of at least 120 hours of pre-licensing education as the only prerequisite to take the exam. In 2007 the board finally allocated \$250,000.00 to develop and implement mandatory pre licensing education. Several months later and on subsequent occasions I suggested to the Continuing Education Committee that they immediately develop mandatory continuing education for newly licensed inspectors that addressed the basics, the standards, report writing and board interpretations. To date this has been ignored.

Why has this been the norm? I believe it is because of the infancy of this industry and the fact that for the past ten years the realtor and home builder on the licensing board have promoted their own agenda and stalled progress. The licensing law clearly states that the board is to 'protect the safety and welfare of the public'. The corporate special interests, even after Governor Easley courageously, (and to their credit, the good home inspectors of this state), stood up to their absurd demands for a standardized report format that relegated safety items to the body of the report. The proposal was again soundly defeated.

Yet, as recently as December 27, 2007 at a Standard Report Format Committee meeting Mr. George Bell (Realtor, Alan Tate Realty, North Carolina Association of Realtors) along with Board member Jim Liles (a Home Inspector that is a full time employee of the state and holds an active realtors license) stated the following position: 'Firmly believe that a Home Inspection is part of the real estate transaction' and want a standard report (or the real estate lobby will get one). Mr Liles offered that it was political and that if the NCHILB didn't come up with one quickly the Real Estate lobby would get one... Again, it was pointed out that strong forces in the Real Estate industry were at work to create a Standard Report and neither the Board nor the Governor could prevent it.

Where is Jim Black?

Your influence counts – use it!

George's Additional Comments:

LAST year NC Senator Holye after being exposed as a shill for corporate real estate interests that control the NCHILB withdrew his bill supporting changes to the standards that would have had a negative impact on protecting the public. Part of the deal was that the NCHILB was permitted to directly introduce legislation for Mandatory Pre-Licensing Education.

Again in November of 2007 Liles & Co. tried to change the law with a different proposal. After Governor Easley and the good Home Inspectors of NC opposed similar changes the Board, with some temporary changes to its composition, voted against the proposed rules changes.

Once again Jim Liles the second realtor on the Board and faithful myrmidon of realtor Allen Tate attempts to intimidate the newly formed committee and resurrect these rules changes. Have these folks no shame? Has their disregard for the protecting the public no end?

Mr. Bell says he firmly believes that a home inspection is part of the process and there should be a standardized report. As a home inspector I am not opposed to a standardized format of course without any limitations and no Summary Section, but I strongly oppose 'standardization'. Ask yourself who benefits from a standardized report.

What Mr. Bell and Liles & Co. believe has little to do with the facts. There is a difference between believing and knowing. When one *knows* there is certainty; that is all doubt is removed. Only when one is certain is a true premise developed. Otherwise beginning with a false premise one draws a false conclusion.

The licensing law clearly states, 'to protect the safety and welfare of the public', how can this be reconciled with believing that home inspection should be part of real estate transaction and sub serve the realtors? I do not believe it can.

There is no question that lenders, appraisers, realtors and home inspectors are part of the food chain in a real estate transaction. To adequately protect the public there must be more than an arms length relationship between the real estate transaction process and home inspection. However, home inspections must be completely objective and subject to informing the client according to the Standards, not subject to realtors beliefs to, as Liles & Co. clearly stated on more than none occasion, 'to facilitate the transaction'. Clearly this is not the purpose of a home inspection.

Let us look at the facts, the greed of lenders have plunged this economy into a serious slide and caused hundreds of thousands of homeowners into foreclosure, in several states appraisers are under investigation and going to jail. To date realtors who promoted and benefitted from the process are relatively unscathed and home inspectors are the only group with their integrity intact.

THIS is an election year and this journalist, with the judicious use of the media and incredible power of the Internet will hold all politicians running for office accountable for the following:

- ✓ The realtor and homebuilder have no place on the Home Inspection Licensure Board – and never did. It is putting the fox in charge of running the chicken house! The law needs to be changed to remove these two positions from the NCHILB and replace them with another home inspector and a qualified civilian. A civilian that has absolutely nothing remotely to do with the real estate industry.

- ✓ The NCHILB needs to be an autonomous, free standing Board not under the jurisdiction of the Department of Insurance and as free as possible from corporate special interests, lobbyists and political pressure.
- ✓ Mandatory Pre-Licensing Education needs to be immediately implemented and directed by the Board, but left to the experienced private sector to actually provide the courses and let it be market driven. We do not need to add another layer of political patronage.
- ✓ Having two active realtors on the Board violates the law Jim Liles needs to be immediately removed from the Board. Clearly his record indicates Mr. Liles is not representing the best interests of the public.
- ✓ The Summary Section, as it contradicts the existing law and violates/limits freedom of speech and consumers 'right to know' and serves only the realtors negotiating processes needs to be challenged in the court and revoked.

On a personal note...

I wish to thank all of you for your prayers and good wishes while I have been ill. I am stable now and after eighteen months, for the past ten days pain free – let's hope it continues! GIMMEE an AMEN!

AS for providing Continuing Education this coming year certain members of the politically corrupt NCHILB revoked my Course Sponsorship and Instructor status. For the good of the home inspection industry and because at this time I do not believe it is appropriate I will not go into the gory details, but the Board did this with uncorroborated evidence violating my civil and constitutional rights, civil procedure and denied me due process. I have appealed the decision have every confidence that I will be fully exonerated and reinstated. With any luck by the end of April!

In the meantime, since this could be a protracted legal battle I will understand if you take you CE elsewhere.

I have been consulted in three cases where the Board's investigator Mr. Joyner had inspectors sign off on consent agreements for items that are not in the Standards of Practice. Regrettably it was after the inspectors signed off on their consent agreements. **Since the general incompetence and bias of the Investigator Phil Joyner has become apparent know that if you have a complaint filed I am available for review and consultation. This service is free.**
 Email Carolinaes@homeinsp.com

Please know that as long as my health permits I shall remain an active Home Inspector and Homebuyer Advocate and no matter what will hold the Board and its members accountable and do my best to implement the changes outlined above.

Stay well and prosperous and may God bless all of you! George Gioiella